

## IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Commonwealth of Pennsylvania, by  
Attorney General Thomas W. Corbett,

Plaintiff

v.

Main Medical Holding, LLC; Main  
Medical Ventures, LLC; Mid-Atlantic  
Imaging Network, Inc.; Georgine B.  
DeMarino, Individually; and Anthony J.  
Geramita, Individually,

Defendants

No. 281 M.D. 2005

ORDER

NOW, June 2, 2005, upon consideration of the Commonwealth's *Ex Parte Petition for Special Injunctive Relief*, after hearing oral argument from counsel for all parties and, with the agreement of the parties, it is hereby ORDERED that:

1. Main Medical Holding, LLC, Main Medical Ventures, LLC and Mid-Atlantic Imaging Network, Inc. (each a "Corporate Defendant" and together, the "Corporate Defendants") are enjoined from:

- a. Engaging in any conduct that is unfair or deceptive or that creates likelihood of confusion or of misunderstanding on the part of their patients.
- b. Engaging in any conduct that would compromise the integrity or safety of the medical records in their possession and/or control.
- c. Engaging in any conduct that would destroy, conceal, alter, transfer, or otherwise dispose of any documents or records related to the services Defendants provided,

including, but not limited to, medical records, stored in whatever medium, which relate in any way to the business practices or business or finances of any or all of the Corporate Defendants or any individual or entity directly or indirectly under any or all of the Corporate Defendants' control.

d Failing to keep books, records, including medical records, and accounts which, in reasonable detail, reflect the income, disbursements, transactions and use of monies by any one or all of the Corporate Defendants or other individual or entity directly or indirectly under any or all of the Corporate Defendants' control.

e Engaging in any conduct in violation of the Consumer Protection Law or other applicable laws and regulations.

Nothing in the foregoing paragraph shall be read to indicate that the Court has found that Corporate Defendants engaged in such conduct.

2. Any bank or financial institution, brokerage house, escrow agent, money market or mutual fund, commodity trading company, title company, common carrier, storage company, trustee, mail receiving agent, any person or entity served with a copy of this Order by any means, including, but not limited to, facsimile, overnight delivery or hand delivery, and any debtor or obligor of any account payable to any or all of the Corporate Defendants shall: (a) hold and retain within such entity's or person's control, and prohibit the withdrawal, assignment, transfer, encumbrance, disbursement, sale or other disposal of any assets or documents held by such entity or person on behalf of, for the benefit of, or subject to access or use by any or all of the Corporate Defendants; and (b) deny access to any safe deposit boxes held by such entity or person on behalf of, for the benefit of, or subject to access or use by any or all of the Corporate Defendants.

3. Any bank or financial institution, brokerage house, escrow agent, money market or mutual fund, commodity trading company, title company, common carrier, storage company, trustee, mail receiving agent, any person or entity served with a copy of this Order by any means, including, but not limited to, facsimile, overnight delivery or hand delivery, and any debtor or obligor of any accounts payable to any or all of the Corporate Defendants shall provide the Commonwealth, within four business days after service of this Order, a statement setting forth: (a) an identification of each account or asset titled in the name, individually or jointly, or held on behalf of, or for the benefit of, any or all of the Corporate Defendants; (b) the balance of each such account, or a description of the nature and value of such asset; (c) an identification of any safe deposit box and its contents that is either titled in the name of, individually or jointly, or is otherwise subject to access or control by, any or all of the Corporate Defendants; and (d) if an account, safe deposit box, or other asset has been closed or removed, the date so closed or removed, by whom, and the balance on said date. The accounts or assets subject to this paragraph shall include existing assets and assets deposited after the effective date of this Order.

4. Any debtor or obligor of accounts which are due or payable to any or all of the Corporate Defendants shall make payment directly to Corporate Defendant, Mid-Atlantic Imaging Network, Inc., in the following account: PNC Bank, ABA Routing Number 043000096, Account Number 1002353314. Correspondence can be directed to: PNC Bank, 1736 East Carson Street, Pittsburgh, Pennsylvania 15207, Attention: Robert Toboz. Mr. Toboz can be contacted by telephone at (412) 431-2581 or by facsimile at (412) 431-1025. The funds in this account, as well as any monies received under the terms of Paragraph 4 of the May 27, 2005 Order of this Court, entered in this matter, shall be held in trust subject to disbursement upon written approval of the Attorney General after consultation with the Court, until further order of this Court.



5. The Court has been advised that pursuant to an agreement dated June 1, 2005 (the "Settlement Agreement"), by and among the Corporate Defendants, as Borrower; Defendant Anthony J. Geramita, as Guarantor (together with Borrower, collectively referred to as "Obligors"); and, CapitalSource Finance, LLC, as Lender, the Obligors and Lender have reached agreement which, among other things: (a) settles the Obligors' liabilities under the loan documents between and among the Obligors and the Lender; (b) requires the Lender to forward to the Borrower, on a weekly basis, collected funds received by the Lender from the Borrowers' lockbox accounts on or after May 27, 2005, in accordance with Paragraph 4 of this Order; and, (c) requires the Lender to execute and deliver, within five (5) business days after the date of the Settlement Agreement, such documents or grant such authorizations as are reasonably necessary to release and/or terminate the liens arising under the loan documents.

6. Nothing in this Order is intended, or should be interpreted as enjoining (a) the Corporate Defendants from marketing their assets for sale, permitting prospective purchasers access to the Corporate Defendants' premises for the purpose of inspecting and making an offer to purchase assets of the Corporate Defendants, and soliciting and accepting offers to purchase such assets, or (b) any entity who may assert that it is a lessor of equipment that was used or is in the possession of any of the Corporate Defendants, including without limitation, General Electric Capital Corporation or Laurel Capital Corporation, from negotiating with third parties as to the terms under which they would lease to such third party equipment that is owned and leased by them and currently located at any of the Corporate Defendants' premises. Neither the Corporate Defendants, nor any person or entity asserting a security interest or ownership interest in any assets of the Corporate Defendants shall be permitted to remove, and the Corporate Defendants shall not be permitted to consent to the removal of, any such asset from any of the Corporate Defendants' premises without (a) further order of this Court or (b) written agreement entered into

among the Corporate Defendants, the Attorney General's Office, Georgine DeMarino (to the extent she asserts a security interest in any asset to be sold), and/or any landlord on whose premises the subject equipment is currently located.

7. Corporate Defendants shall re-open and staff all of their facilities from Monday, June 6<sup>th</sup>, 2005, until Wednesday, June 15<sup>th</sup>, 2005. During this period, Corporate Defendants shall furnish all patients, who so request, with their personal medical records.

8. All landlords of any or all of the Corporate Defendants' facilities shall permit access to said facilities for the purposes of: (a) record distribution to patients; (b) the sorting, boxing and transfer of medical records by Business Records Management ("BRM"); and, (c) the appraisal or viewing of equipment or other assets, whether leased or owned by Corporate Defendants, by prospective purchasers or lessors of same. Such access shall be coordinated with Jonathan K. Hergert, Esquire, Eckert Seamans Cherin & Mellott, LLC, 600 Grant Street, 45<sup>th</sup> Floor, Pittsburgh, Pennsylvania 15219 (Telephone: 412.566.5927; Facsimile: 412.566.6099; [jhergert@eckertseamans.com](mailto:jhergert@eckertseamans.com)). No equipment or assets located within the respective facilities, whether leased, owned or otherwise possessed by any or all of the Corporate Defendants, other than medical records, shall be removed, except as provided in Paragraph 6 of this Order.

9. Corporate Defendants are enjoined from selling, transferring, encumbering, loaning, concealing, dissipating, converting, withdrawing, or making any other disposition of any funds, accounts receivable, credit instruments, real, leased or personal property, the contents of any safe deposit boxes, or other assets or any interest therein, whenever acquired and wherever located, which are: (a) owned, possessed or controlled by any or all of the Corporate Defendants; (b) held for the benefit of any or all of the Corporate Defendants; or (c) owned, possessed or controlled by any person or entity directly or indirectly under any or all of the Corporate



Defendants' control unless authorized by written approval of the Attorney General after consultation with the Court, until further order of the Court.

10. Corporate Defendants shall: (a) staff all facilities as appropriate to facilitate the distribution of medical records to patients; (b) run a daily advertisement, approved by the Pennsylvania Office of Attorney General Health Care Section, in the Pittsburgh Post-Gazette from Saturday, June 4, 2005 to Tuesday, June 12, 2005 to inform patients that the facilities will re-open to allow patients to take custody of their personal medical record; (c) ensure that Corporate Defendants' voice messaging system is updated to reflect the information included in the advertisement; (d) mail medical records to patients who are physically unable to retrieve their records at the appropriate facility; (e) ensure that all remaining medical records not distributed directly to the patients are appropriately sorted, boxed, shipped and stored, all in accordance with all applicable statutory and regulatory requirements of all state and federal authorities, so that patients may access these records in accordance with said laws; and (f) notify patients who do not take possession of their medical records of the location at which their records are stored and the mechanism by which they may be obtained in the future.

11. The distribution, sorting, transfer and administration of patient records described in this Order is facilitated by the Attorney General of the Commonwealth of Pennsylvania in order to make them available to the patients and carry out an important public policy of the Commonwealth. By accepting these records and making them available to patients in the normal course of business, any custodian or transferee of any patient medical records from any or all of the Corporate Defendants, pursuant to this Order, is implementing this public policy. Accordingly, under no circumstances shall such custodian or transferee of any of the patient medical records of any or all of the Corporate Defendants be deemed a successor of or to any of the Corporate Defendants, their predecessors or affiliates; and, such custodians or transferees

shall incur no liability, responsibility or other obligation of any or all of the Corporate Defendants, their predecessors or affiliates, for any claim or interest arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of any or all of the Corporate Defendants, their predecessors or affiliates, of any kind or nature whatsoever on any theory of law or equity, including, without limitation, any theory of antitrust or successor or vicarious or transferee liability. The transfer, assignment and delivery of the patient records shall not be subject to any claims or interest against the Corporate Defendants, and, any such claims and interests of any kind or nature whatsoever shall remain with, and continue to be obligations of, the Corporate Defendants.

12. Payment by the Corporate Defendants to BRM in connection with the sorting, boxing, transfer, and delivery of patient records, described in Paragraph 8(b) of this Order, shall not be subject to any claims or interests asserted against the Corporate Defendants, their predecessors, affiliates or their respective estates.

13. Defendants are granted an extension of time to file an Answer to the Commonwealth's *Complaint in Equity and Petition for Permanent Injunction* until further Order of this Court.

14. This Court shall retain jurisdiction over any matters which, in the Court's discretion, relate to or arise from the implementation of this Order.

15. Further hearing on this matter will be held on the 17<sup>th</sup> day of June, 2005, at 10:00 A.M., at Commonwealth Court of Pennsylvania, Fifth Floor, Irvis Office Building, Harrisburg Pennsylvania.

  
RENEE COHN JUBELIRER, Judge

Certified from the Record